

### ABSTRACT

A computer system and method, incorporating a computer network for conducting a savings and loan auction between a plurality of saver's institutions acting on behalf of a plurality of savers and a plurality of borrower's institutions acting on behalf of pre-qualified borrowers for a plurality of pre-set amounts of offered principal, each offered principal being offered for one of a plurality of pre-set time periods via a funds auctioneer, is provided. The system enables receiving an electronic savings deposit offer and ask rate from a prospective saver's institution over the network and an electronic loan request and bid rate from a prospective borrower's institution over the network. The funds auctioneer electronically sorts, matches, and selects electronic savings deposit offers and ask rates which match with electronic loan requests and bid rates to form a plurality of matches of bids and asks, or transactions, settles the transaction at the end of the loan and makes available to the borrower's institutions uncollateralized funds via a sterilization account during the terms of a loan.